Royalty Payments due from Enron Corporation

3952. SHRI KRISHNA KUMAR BIRLA : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether it is a fact that Enron Corporation has spent millions of dollars in the country's oilfields without valid authority and has depressed royalty payments to Government;

(b) if so, what are the details thereof; and

(c) the steps taken by Government in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH GANGWAR) : (a) to (c) Panna, Mukta & Tapti fields have been awarded to a consortium comprising Oil & Natural Gas Corporation Ltd. (ONGC), Reliance Industries Limited (RIL) and Enron Oil & Gas India Limited (EOGIL), with EOGIL as the operator. The expenditure on these fields is made by the above consortium in accordance with the Production Sharing Contracts ((PSCs) entered into by them with the Government of India. Royalty and all other dues are paid by the consortium in accordance with the provisions of these PSCs and the applicable laws and rules.

As per provisions of the PSCs, there is a Management Committee to approve the budget and oversee the expenditure, development and monitoring of these fields as well as monitor the implementation of the PSCs. Officials from the Directorate General of Hydrocarbons (DGH) represent the Government of India on these Management Committees. Reconciliation of receipts and expenditure, including payment of royalty etc., is an ongoing process.

Well-head Refinery of ONGC in Andhra Pradesh

3953. SHRI SOLIPETA RAMACHANDRA REDDY : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether Oil and Natural Gas Corporation is expected to commission its first well head refinery in Andhra Pradesh;

(b) if so, the location of the refinery;

(c) what is the expected annual production of the refinery;

(d) the annual transportation expenditure expected to be saved; and